

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

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De Lage Landen Financial Services, Inc.	:	
	:	
	Plaintiff,	:
	:	
vs.	:	C.A. NO.
	:	
	:	
Lyon Group LLC	:	
	:	
	Defendant.	:

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**COMPLAINT**

Plaintiff, De Lage Landen Financial Services, Inc. (“Plaintiff” or “DLL”), by and through its counsel, Dilworth Paxson LLP, hereby files this Complaint against Defendant Lyon Group LLC (“Defendant” or “Lessee”) to recover damages for the Defendant’s breach of multiple equipment lease agreements entered into between the parties and in support thereof alleges the following:

**PARTIES**

1. Plaintiff is a corporation organized under the laws of the State of Michigan with a place of business located at 1111 Old Eagle School Road, Wayne, Treddyfrin Township, Chester County, Pennsylvania, 19087.
2. Upon information and belief, Lessee is a limited liability company formed under the laws of the State of Montana with a principal place of business located at 2100 Highland Street, Helena, Montana 59601.

### **JURISDICTION AND VENUE**

3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 because the parties are citizens of different states and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interests and costs.

4. Venue is proper in the Eastern District of Pennsylvania by virtue of 28 U.S.C. § 1391(a)(2) because a substantial part of the events and/or omissions giving rise to the claims occurred in the Eastern District of Pennsylvania.

5. Additionally, the parties entered into multiple agreements providing for *in personam* jurisdiction in Pennsylvania and venue in the Eastern District of Pennsylvania.

### **FACTUAL BACKGROUND**

6. Plaintiff and Lessee are parties to five lease agreements (collectively, the “Lease Agreements”):

- a. That certain Lease Agreement dated May 22, 2013, No. 25236667, as amended through Addendum #1 to Lease Agreement Reference TFFV-71462, dated May 15, 2013, copies of which are attached hereto as Exhibit “A” (Lyon Lease No. 1).
- b. That certain Lease Agreement dated September 16, 2011, No. 25127565, a copy of which is attached hereto as Exhibit “B” (Lyon Lease No. 2).
- c. That certain Lease Agreement dated September 16, 2011, No. 25127642, a copy of which is attached hereto as Exhibit “C” (Lyon Lease No. 3).
- d. That certain Lease Agreement dated September 26, 2011, No. 25129076, a copy of which is attached hereto as Exhibit “D” (Lyon Lease No. 4).
- e. That certain Lease Agreement dated September 8, 2011, No. 25125966, a copy of which is attached hereto as Exhibit “E” (Lyon Lease No. 5).

7. Under the terms of each of the Lease Agreements, the Lessee leased certain audio visual equipment more completely described therein (the "Equipment").

8. Each Lease Agreement states in part that Lessee's Lease obligations are "absolute and unconditional" and are "not subject to cancellation, reduction, setoff or counterclaim." Lyon Lease No. 1 at ¶2; Lyon Lease Nos. 2-5 at ¶1.

9. Under each of the Lease Agreements, Lessee agreed to make monthly lease payments to DLL (collectively, the "Lease Payments") as follows:

- a. On Lyon Lease No. 1, \$3,551.20, plus other applicable taxes, costs and fees;
- b. On Lyon Lease No. 2, \$840.02, plus other applicable taxes, costs and fees;
- c. On Lyon Lease No. 3, \$1,283.40, plus other applicable taxes, costs and fees;
- d. On Lyon Lease No. 4, \$1,283.40, plus other applicable taxes, costs and fees; and
- e. On Lyon Lease No. 5, \$1,283.40, plus other applicable taxes, costs and fees.

10. Beginning in September of 2013, Lessee failed to pay the Lease Payments when due under Lyon Lease No. 1.

11. Under each of the Lease Agreements, the Lessee is considered in default for failing to pay the Lease Payments when due. Under Lyon Lease Nos. 2-5, the Lessee is considered in default for breaching any obligation under any lease between the Lessee and DLL, including Lyon Lease No. 1. Lyon Lease Nos. 2-5 at ¶8.

12. Upon such default, the balance of all unpaid Lease Payments for the full lease term are immediately due and payable together with all past due sums.

13. Under the Lease Agreements, upon default, Defendant is also required to pay all expenses incurred by the Plaintiff in connection with the enforcement of its remedies, including, among other things, all reasonable attorneys' fees and costs of suit.

14. On January 7, 2014, demand was made upon Defendant for immediate repayment of the amounts due under the Lease Agreements. [A true and correct copy of the January 7, 2014 letter is attached hereto as Exhibit "F".] To date, Defendant has not satisfied this demand.

**COUNT I - BREACH OF CONTRACT – LYON LEASE NO. 1**

15. Plaintiff hereby repeats the foregoing paragraphs as if more fully set forth at length herein.

16. Due to Lessee's failure to make timely payments, it has breached Lyon Lease No. 1.

17. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$118,812.46, excluding interest, court costs and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT II - BREACH OF CONTRACT – LYON LEASE NO. 2**

18. Plaintiff hereby repeats the foregoing paragraphs as if more fully set forth at length herein.

19. Due to Lessee's failure to make timely payments under Lyon Lease No. 1, it has breached Lyon Lease No. 2.

20. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$3,347.53, excluding interest, court costs and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT III - BREACH OF CONTRACT – LYON LEASE NO. 3**

21. Plaintiff hereby repeats the foregoing paragraphs as if more fully set forth at length herein.

22. Due to Lessee's failure to make timely payments under Lyon Lease No. 1, it has breached Lyon Lease No. 3.

23. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$5,114.43, excluding interest, court costs and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT IV - BREACH OF CONTRACT – LYON LEASE NO. 4**

24. Plaintiff hereby repeats the foregoing paragraphs as if more fully set forth at length herein.

25. Due to Lessee's failure to make timely payments under Lyon Lease No. 1, it has breached Lyon Lease No. 4.

26. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$5,114.43, excluding interest, court costs and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT V - BREACH OF CONTRACT – LYON LEASE NO. 5**

27. Plaintiff hereby repeats the foregoing paragraphs as if more fully set forth at length herein.

28. Due to Lessee's failure to make timely payments under Lyon Lease No. 1, it has breached Lyon Lease No. 5.

29. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$3,840.61, excluding interest, court costs and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;

- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT VI - UNJUST ENRICHMENT**

30. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.


31. Lessee has had use of the Equipment at all times relevant hereto.

32. Allowing Lessee to retain the Equipment without paying for same would result in an unjust enrichment to Lessee, in the sum of \$136,229.46.

WHEREFORE, Plaintiff hereby demands judgment against Defendant for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorneys' fees and cost of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

Submitted by:

/s/ Matthew Faranda-Diedrich   
Matthew Faranda-Diedrich, Esquire  
PA Id. No.: 203541

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Attorney for Plaintiff, De Lage Landen  
Financial Services, Inc.

Dated: February 3, 2014